

## SUPPORTING STATEMENT

### A. Justification

1. Section 3304(a)(9)(B), of the Internal Revenue Code (IRC) of 1986, requires States to participate in an arrangement for combining employment and wages covered under the different State laws for the purpose of determining unemployed workers' entitlement to unemployment compensation. The Interstate Arrangement for combining Employment and Wages (CWC), promulgated at 20 CFR 616, requires the prompt transfer of all available employment and wages between States upon request. The Benefit Payment Promptness Standard, 20 CFR 640, requires the prompt payment of unemployment compensation including benefits paid under the CWC arrangement. Section 303(a)(6) of the Social Security Act grants authority to the Secretary to require State to report program information as deemed necessary.

2. The administration of this program is complex and difficult due to the involvement of more than one State in each determination. All States involved in each claim must take a number of actions and make decisions before a monetary determination can be issued. CWC claims are processed under the Interstate and Intrastate programs and include the use of Federal military and civilian employment and wages, which require special handling, as well as State covered employment and wages.

Specific information concerning the CWC program is not available from any other source. This information is necessary in order for ETA to analyze program performance, know when program performance action plans are needed and to target technical assistance resources. Without this report, it would be impossible for the ETA to identify activity under the CWC program and carry out the Secretary's responsibility for oversight.

The ETA 586 report provides the ETA/Office of Workforce Security (OWS) Division of Unemployment Insurance Operations (DUIO) with information necessary to measure the scope and effect of the program and monitor the performance of each State in responding to wage transfer request and the payment of benefits.

The UI Benefit Timeliness and Quality system uses the data to determine which States must submit plans for corrective action in the State Quality Service Plans (SQSP) process (1205-0132, expiring 12/01).

The OWS/DUIO staff and Regional Office Staff use this information to monitor States' on-going performance, to determine technical assistance needs, to respond to inquiries, to determine program emphasis needs, and to measure the impact of performance under this program on the States' ability to comply with the performance criteria of the Benefit Payment Promptness Standard, 20 CFR 640.

The data accumulated at State level is used by the State agency as the basis for staffing patterns in claim centers, to determine training needs and to monitor performance. For example, claim centers with a high volume of combined claims would need more and better trained staff due to the volume and complexity of the claims workload and the greater amount of time necessary to process these types of claims.

3. States are free to take advantage of any available technology to generate the report data. The data is generally electronically extracted from State records and dynamically input into an electronic reporting system which transmits directly to the national office computer eliminating manual intervention and avoiding mail delays. The only State that does not report electronically is the Virgin Islands because they do not have the computer capability necessary and therefore, we have not provided it with the necessary computer system.

4. This information is not duplicated in any other report.

5. Information collection does not involve small business.

6. Reporting less frequently than quarterly would hamper identification of problems and lengthen the time between the problem arising and solution.

7. This report complies with 5 C.F.R. 1320.5.

8. ETA consults with the National Association of State Workforce Agencies (NASWA), Interstate Benefit Committee, 444 North Capitol Street, Suite 142, Washington, D.C., telephone number 202-434-8020, on the operation and reporting of activities of this program. The last consultation was September 4, 2001. The notice was published in the Federal Register, Vol. 66, No. 143, Pages 38747-38748, dated July 25, 2001. A copy of the notice is attached. No comments were received.

9. There are no payments to respondents.

10. There are no assurances of confidentiality.

11. Data collection does not involve questions of a sensitive nature.

12. Respondents are the 53 State agencies, including the District of Columbia, Puerto Rico, and the Virgin Islands. The respondents report quarterly to ETA/OWS. These reports are completed with data retrieved from the State agencies' central computer records of the claims processed under this program. It is estimated that the burden for the preparation of this report is as follows:

<u>Responses Hours Per</u>				
<u>Form</u>	<u>Respondents</u>	<u>Per Year</u>	<u>Response</u>	<u>Burden Hours</u>
ETA 586	53	212	4 hours	848

Average number of responses per respondent: 4

Average burden hour per response: 4 hours

With an average of \$25 per hour for State salaries and 848 hours per year, we estimate the annual burden cost to be \$21,200.

13. There are no record keeping or other costs as States maintain this data to operate their programs.

14. The data is received and stored on Department owned computer equipment along with all other Unemployment Insurance Reports data.

No staff are required to process this report. Computer cost cannot readily be broken out for one report.

15. The burden remains unchanged.

16. No publication is planned.

17. We are not seeking permission to not display the expiration date for OMB approval. ETA will notify users of the new expiration date through the attached UIPL.

B. Collection of Information Employing Statistical Methods. This collection does not involve statistical methods.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b>
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